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STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

PUBLIC UTILITIES COMMISSION
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Chairman Elia Germani
Commissioner Kate F. Racine
Commissioner Brenda K. Gaynor

December 14, 2001

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Magalie Roman Salas
Secretary
Federal Communications Commission
445 12th Street, SW
Room TW-B-204
Washington, DC 20554

Re: In the Matter of the Application by Verizon New England, Inc. for Authorization Under Section 271 of the Communications Act to Provide In-Region, InterLATA Service in the State of Rhode Island,
CC Docket No. 01-324

Dear Secretary Salas:

Enclosed is the Rhode Island Public Utilities Commission's (RIPUC's) Evaluation of Verizon Rhode Island's Compliance with Section 271 of the Telecommunications Act of 1996.

Sincerely,

Elia Germani
Chairman

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Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of

Application of Verizon New England Inc., Bell Atlantic Communications, Inc. d/b/a Verizon Rhode Island NYNEX Long Distance Company (d/b/a Verizon Enterprise Solutions), Verizon Global Networks, Inc. (collectively Verizon) Pursuant to Section 271 of the Telecommunications Act of 1996 To provide In-Region, InterLATA Services in the State of Rhode Island and Providence Plantations	)	CC Docket No. 01-324

REPORT OF THE RHODE ISLAND PUBLIC UTILITIES COMMISSION ON VERIZON RHODE ISLAND'S COMPLIANCE WITH SECTON 271 OF THE TELECOMMUNICATIONS ACT OF 1996

Rhode Island Public Utilities Commission

Elia Germani, Chairman
Kate F. Racine, Commissioner
Brenda K. Gaynor, Commissioner

89 Jefferson Boulevard
Warwick, RI 02888
(401) 941-4500

Staff and Counsel:
Steven Frias, Esq.
Cynthia G. Wilson, Esq.

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REPORT OF THE RHODE ISLAND PUBLIC UTILITIES COMMISSION ON VERIZON RHODE ISLAND'S COMPLIANCE WITH SECTON 271 OF THE TELECOMMUNICATIONS ACT OF 1996

I. INTRODUCTION

The Telecommunications Act of 1996 ("Act") requires the Federal Communications Commission ("FCC") to act on the application of Verizon New England Inc., d/b/a Verizon Rhode Island ("VZ-RI"), for authorization to offer in-region, interLATA telecommunications services in Rhode Island within 90 days after receiving VZ-RI's request for such authorization. In connection with the FCC's review of such application, the Act requires the FCC to consult with the Rhode Island Public Utilities Commission ("RIPUC") to verify VZ-RI's compliance with the requirements of subsection 271(c) of the Act.[1]

[1] 47 USC. § 271(d)(2)(B) requires the FCC to consult with the state regulatory commission of any state that is the subject of a § 271 application to verify the Bell Operating Company's compliance with the requirements of subsection 271(c) of the Act.

On July 25, 2001, VZ-RI made a compliance filing[2] with the RIPUC for the purpose of verifying VZ-RI's compliance with the competitive checklist contained in § 271 of the Act, a prerequisite to VZ-RI's filing for authorization from the FCC to provide in-region, interLATA service in Rhode Island. The purpose of this Report is to provide the FCC with the analysis used by the RIPUC to evaluate whether VZ-RI has met the competitive checklist contained in § 271 and the provisions of § 272 of the Act. Based on the record in this proceeding, the RIPUC concludes that VZ-RI has met the requirements of sections 271 and 272 of the Act, and therefore, recommends that the FCC grant VZ-RI's application for authorization to provide in-region, interLATA services in Rhode Island.[3]

II. APPLICABLE LAW

Section 271 of the Act requires the FCC to determine whether VZ-RI has "fully implemented the competitive checklist in subsection (c)(2)(B)." Specifically, VZ-RI has the burden of demonstrating that it is offering interconnection and access to network elements to competitive local exchange carriers ("CLECs") on a non-discriminatory basis.[4]

Section 271 of the Act requires VZ-RI to demonstrate all of the following: (1) that VZ-RI has entered into binding agreements with one or more competing providers, if

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[2] VZ-RI's July 25, 2001 compliance filing with the RIPUC is hereinafter referred to in its entirety as "Verizon RI 271 Filing."

[3] Application by Verizon New England, Inc., Bell Atlantic Communications, Inc. (d/b/a Verizon Long Distance), NYNEX Long Distance Company (d/b/a Verizon Enterprise Solutions), Verizon Global Networks Inc., and Verizon Select Services Inc. for Authorization to provide In-Region, InterLATA Services in Rhode Island, CC Docket No. 01-324 (filed with the FCC November 26, 2001).

[4] Application of Verizon New England Inc., Bell Atlantic Communications, Inc. (d/b/a Verizon Long Distance), NYNEX Long Distance Company (d/b/a Verizon Enterprise Solutions) And Verizon Global Networks Inc. For Authorization to Provide In-Region, InterLATA Services in Massachusetts, CC Docket No. 01-9, Memorandum Opinion and Order, FCC 01-130 (Rel. April 16, 2001) ("**Massachusetts Order**"), ¶ 11.

proceeding under § 271(c)(1)(A), or Track A; (2) that VZ-RI has successfully satisfied the 14 items of the competitive checklist of § 271(c)(2)(B); (3) that VZ-RI will carry out, pursuant to § 271(d)(3)(B), its interLATA authority through a separate affiliate as required by § 272; and (4) that granting VZ-RI's application is consistent with the public interest, convenience, and necessity under § 271(d)(3)(C).[5]

Additionally, before making a determination under § 271, the FCC must consult with both the United States Attorney General and the state commission of the state that is the subject of the application for in-region, interLATA authority.[6] If a Bell Operating Company ("BOC") is filing under Track A, the state commission's inquiry should focus on whether the BOC has entered into one or more interconnection agreements with facilities-based competitors that collectively serve residential and business customers and whether the access or interconnection provided by the BOC includes unbundled network elements and satisfies the competitive checklist of § 271(c).[7]

For the benefit of the FCC, the RIPUC will provide a review and analysis of VZ-RI's compliance with the requirements of § 271 and consider whether approval of VZ-RI's application is in the public interest. Finally, although not explicitly required by the Act, VZ-RI's performance monitoring plan will be discussed as well. Based on the evidence presented, the RIPUC concludes that a performance monitoring plan is essential

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[5] Application of SBC Communications Inc., Southwestern Bell Telephone Company, and Southwestern Bell Communications Services, Inc. d/b/a Southwestern Bell Long Distance Pursuant to Section 271 of the Telecommunications Act of 1996 to Provide In-Region, InterLATA Services in Texas, CC Docket No. 00-65, Memorandum Opinion and Order, FCC 00-238 (Rel. June 30, 2000) ("**SWBT Texas Order**"), ¶, 9.

[6] 47 U.S.C. § 271(d)(2)(A) and (B).

[7] In the Matter Of Application of Ameritech Michigan Pursuant to Section 271 of the Communications Act of 1934, as amended, To Provide In-Region, InterLATA Services in Michigan, CC Docket 97-137, Memorandum Opinion and Order, FCC 97-137 (Rel. August 19, 1997) ("**Ameritech Michigan Order**"), 12 FCC Rcd 20543, ¶ 70.

to enable the RIPUC to evaluate VZ-RI's continuing compliance with § 271 requirements if VZ-RI is authorized to provide in-region, interLATA service.

The FCC explained the role of a state commission in the FCC's process of evaluating a BOC's § 271 application as follows:

> We will look to the state to resolve factual disputes wherever possible. Indeed, we view the state's and Department of Justice's roles to be similar to that of an "expert witness." Given the 90-day statutory deadline to reach a decision on a section 271 application, the [FCC] does not have the time or the resources to resolve the enormous number of factual disputes that inevitably arise from the technical details and data involved in such a complex endeavor. Accordingly, as discussed above, where the state has conducted an exhaustive and rigorous investigation into the BOC's compliance with the checklist, we may give evidence submitted by the state substantial weight in making our decision.[8]

The RIPUC has conducted a thorough review of VZ-RI's 271 Filing and has conducted discovery and hearings to fully evaluate VZ-RI's compliance with the § 271 competitive checklist requirements. The Rhode Island Division of Public Utilities and Carriers ("RIDPUC") submitted pre-filed testimony of Thomas H. Weiss, president of Weiss Consulting, Inc. In making this Report to the FCC, the RIPUC has relied upon the RIDPUC's testimony and the attachments thereto. The RIPUC also has reviewed and considered the declarations and other filings by VZ-RI and other parties. The decision of the RIPUC is based upon the entire record developed in this proceeding.

III. PROCEDURAL HISTORY

On September 15, 2000, the RIPUC opened Docket No. 3195 to address the Carrier-to-Carrier Performance Standards and Reports for Rhode Island ("C2C Guidelines" or "C2C Performance Reports") filed by VZ-RI. On October 20, 2000, the RIPUC conducted a technical record conference to discuss the C2C Guidelines with VZ-RI and other interested parties. In anticipation of its §271 Filing with the RIPUC, VZ-RI

argued that, rather than conduct full independent Operational Support Systems ("OSS") testing in Rhode Island, the RIPUC should accept the OSS test results produced during the Massachusetts §271 proceeding because, VZ-RI contended, the Rhode Island and Massachusetts OSS are the same. [9] In order to rely upon the results of the Massachusetts OSS tests, however, the RIPUC required assurance that the OSS for the two states were, in fact, the same. Therefore, the RIPUC retained KPMG Consulting ("KPMG"), an independent auditing firm, to perform "sameness" testing to determine whether the Verizon's OSS systems, interfaces and processes in Rhode Island were the same as those in Massachusetts. In addition, because of concerns raised by a number of CLECs doing business in Rhode Island, the RIPUC order KPMG to conduct additional stand-alone tests in three OSS areas not included in the Massachusetts OSS test: line loss, line sharing and electronic jeopardies.

OSS testing for Rhode Island began in December 2000. As directed by the RIPUC, VZ-RI began filing its monthly C2C Performance Reports in January 2001. On February 16, 2001, VZ-RI filed changes to its Rhode Island C2C Guidelines to incorporate changes that had recently been ordered to VZ-NY's C2C Guidelines by the New York State Public Service Commission ("NYPSC"). Rhode Island OSS testing continued throughout the spring of 2001 and in July 2001, KPMG filed its final draft Rhode Island OSS evaluation report with the RIPUC. KPMG's report concluded that there was a "high degree of sameness" between the OSS for Rhode Island and

[8] SWBT Texas Order, at ¶ 5.

[9] VZ-RI contended that the FCC has endorsed the use of evidence from related jurisdictions to demonstrate compliance with the Act. Verizon RI 271 Filing-OSS Declaration, at ¶ 24.

Massachusetts.[10] Where the testing resulted in different scores, the result was typically better in Rhode Island than in Massachusetts. With regard to the three stand-alone tests, KPMG reported that VZ-RI had passed the line loss and line sharing tests, but the electronic jeopardy test resulted in inconclusive results because the sample size was too small to glean accurate results. On July 25, 2001, the day after KPMG filed its draft final report, VZ-RI made its 271 compliance filing with the RIPUC.

While OSS testing for Rhode Island was still underway, VZ-RI filed a proposed Rhode Island Performance Assurance Program ("PAP") with the RIPUC, modeled after the PAPs adopted in New York and Massachusetts. The RIPUC opened Docket No. 3256 to investigate the merits of the proposed PAP. The RIPUC noted that while the filing of a PAP is not a prerequisite to VZ-RI's entry into the interLATA market in Rhode Island, "[t]he [FCC] has, however, stated that the fact that a BOC will be subject to performance monitoring and enforcement mechanisms would constitute probative evidence that the BOC will continue to meet its section 271 obligations and that its entry would be consistent with public interest."[11]

On July 23, 2001, AT&T filed an alternative to Verizon's PAP, following which the RIPUC conducted two additional technical record conferences: the first on July 23, 2001, for Verizon to present information regarding its proposed PAP, and the second on July 30, 2001, for AT&T to present information regarding its proposed Performance Incentive Plan ("PIP"). Parties were then given the opportunity to comment on both performance plans. The RIPUC then conducted a public evidentiary hearing on both the

[10] "Verizon Rhode Island OSS Evaluation Project, Version 2.0," was filed on October 16, 2001, (**"KPMG RI Report"**) p. 13.

proposed PAP and C2C Guidelines on October 4, 2001 at the offices of the RIPUC, 89 Jefferson Blvd, Warwick, Rhode Island.[12] The RIPUC ultimately approved VZ-RI's PAP and C2C Guidelines, with certain modifications.[13]

On July 25, 2001, VZ-RI filed its Checklist, OSS and Measurements Declarations and supporting documentation with RIPUC ("Verizon RI 271 Filing") for the purpose of verifying Verizon's compliance with the requirements of § 271 of the Act, a prerequisite to VZ-RI's filing for FCC authorization to provide in-region, interLATA service in Rhode Island. The RIPUC opened Docket No. 3363 to conduct a thorough evaluation of VZ-RI's filing. The participants in RIPUC Docket No. 3363 were as follows: AT&T Communications of New England, Inc. ("AT&T"), Conversent Communications of Rhode Island, LLC ("Conversent"); Covad Communications Company ("Covad"); Cox Rhode Island Telcom, LLC ("Cox"); CTC Communications, Inc. ("CTC"); Global NAPs, Inc. ("GNAPs"); Sprint Communications Company, LP ("Sprint"); WorldCom, Inc. ("WorldCom"); and the RIDPUC.

After an opportunity for discovery and comments by all parties involved, the RIPUC conducted public evidentiary hearings at the RIPUC's offices on October 9-12 and October 15, 2001 regarding VZ-RI's compliance with the § 271 checklist requirements.[14] The following appearances were entered: Bruce P. Beausejour, Esq.,

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[11] Application by Bell Atlantic New York For Authorization Under Section 271 of the Communications Act to Provide In-Region, InterLATA Service in the State of New York CC Docket No. 99-295, Memorandum Opinion and Order, FCC 99-404 (Rel. December 22, 1999) ("**New York Order**"), ¶ 429.

[12] The October 4, 2001 RIPUC hearing primarily focused on two issues: (1) whether the Rhode Island PAP, which is modeled after the New York and Massachusetts PAPs, contains at least the same dollars at risk and the same safeguards as the PAPs in the other two states; (2) whether the PAP's MOE methodology provides sufficient incentive for Verizon to perform adequately and enough safeguards for the CLECs in Rhode Island.

[13] See RIPUC Order No. 16809 (issued December 3, 2001).

[14] Of the parties other than VZ-RI participating in Docket 3363, only the RIDPUC, Conversent and CTC filed Declarations with the RIPUC. At the hearings Conversent chose to mark its Declarations for identification purposes only. The RIDPUC and CTC requested that their Declarations be admitted in full.

Keefe B. Clemons, Esq., and Donald C. Rowe, Esq. for VZ-RI; Scott A. Sawyer, Esq. for Conversent; Eric J. Branfman, Esq. for CTC; Craig Eaton, Esq. for GNAPs; William Lehman, Esq. for WorldCom; Leo Wold, Esq., Special Assistant Attorney General, on behalf of the RIDPUC; Steven Frias, Esq., Executive Counsel to the RIPUC and Cynthia G. Wilson, Esq., Senior Legal Counsel to the RIPUC.

IV. VZ-RI COMPLIANCE WITH § 271(C)(1)(A) - PRESENCE OF FACILITIES-BASED COMPETITION

A. Applicable Law

There are two ways VZ-RI's application to provide interLATA services in Rhode Island may be approved. First, VZ-RI, as a BOC, must show that it satisfies the requirements of either § 271(c)(1)(A) (Track A) or § 271 (c)(1)(B) (Track B).[15] VZ-RI has filed its application under Track A. Therefore, VZ-RI must fulfill four requirements: it must demonstrate that (1) it has entered into a binding interconnection agreement with one or more CLECs that has been approved by the RIPUC; (2) the agreements must specify terms and conditions under which VZ-RI is providing access and interconnection to its network facilities with the network facilities of one or more CLECs; (3) local telephone exchange service is being provided to residential and commercial customers by one or more unaffiliated CLECs; and (4) the service may be offered either exclusively over the CLECs own facilities or "in combination with the resale of the telecommunications services of another carrier."[16] The FCC has previously concluded that when a BOC relies on more than one competing provider to satisfy § 271(c)(1)(A), each carrier need not provide service to both residential and commercial customers.[17]

[15] 47 U.S.C. § 271(d)(3)(A).
[16] Ameritech Michigan Order, ¶¶ 70-72.
[17] Id. at ¶ 82.

B. VZ-RI's Position

It is VZ-RI's position that it has fulfilled the four requirements of Track A. As of June 1, 2001, 104 CLECs were providing service in Rhode Island through 104 binding interconnection agreements and 45 resale-only agreements between VZ-RI and unaffiliated competing providers of telephone exchange service that have been approved by the RIPUC.[18] VZ-RI has stated that as of May 31, 2001, CLECs had access to 97.7% of VZ-RI's residential lines and 99.3% of VZ-RI's business lines.[19] In addition, VZ-RI provided testimony indicating that as of September 2001, VZ-RI had provided 23 CLECs with 214 physical collocation arrangements and there were 25,957 resold lines in service in Rhode Island.[20]

C. CLECs' Comments

No CLEC has filed any declarations or made any comments at the hearings disputing VZ-RI's compliance with § 271 (c)(1)(A).

D. RIDPUC's Position

The RIDPUC noted in its filing with the RIPUC that VZ-RI is a party to more than 106 RIPUC-approved interconnection agreements and 45 RIPUC-approved resale-only agreements.[21]

E. RIPUC Findings and Recommendation

The RIPUC finds that VZ-RI has demonstrated that it has complied with the requirements of § 271(c)(1)(A). First, the RIPUC has approved over 104 binding interconnection agreements entered into between VZ-RI and unaffiliated CLECs.

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[18] Verizon RI 271 Filing - Checklist Declaration, ¶ 384.
[19] Id. at ¶ 74.
[20] Id. at ¶¶ 73-74, 385.
[21] Direct Testimony of Thomas H. Weiss **("RIDPUC's Exhibit 1")**, p. 3.

Second, the interconnection agreements specify the terms and conditions under which VZ-RI is allowing unaffiliated CLECs access to its network facilities. Third, local telephone exchange service is being provided to both business and residential customers by at least one unaffiliated CLEC. Fourth, CLECs are providing local exchange service to customers in Rhode Island either exclusively over their own facilities or in combination with resale.[22] Finally, the RIPUC notes that resale competition is occurring at approximately a 3:1 ratio of business lines to residential lines. For these reasons, the RIPUC finds that VZ-RI has satisfied the requirements of § 271(c)(1)(A).

V. CHECKLIST COMPLIANCE

Once VZ-RI has demonstrated that it has complied with § 271(c)(1)(A), VZ-RI must also demonstrate that "such access and interconnection meets the requirements of" the 14-point competitive checklist set forth in § 271(c)(2)(B).[23] The FCC has indicated that the burden is on VZ-RI to "demonstrate that it is offering interconnection and access to network elements on a nondiscriminatory basis."[24] In past orders regarding 271 applications, the FCC has looked favorably on the use of C2C metrics as an appropriate means of measuring a BOC's performance to determine compliance with the requirements of the checklist items.[25] Where VZ-RI has not met the standards set forth in the C2C metrics, the RIPUC and ultimately, the FCC, must determine whether the "miss" has "competitive significance in the marketplace," or whether it is simply an isolated incident of less than adequate performance.[26] The RIPUC notes that the FCC has indicated that "[i]solated cases of performance disparity, especially when the margin of

[22] See e.g., Responses of GNAPs and CTC to the Rhode Island Division of Public Utilities' Initial Set of Information Requests to CLECs.
[23] 47 U.S.C. § 271(c)(2)(A)(ii).
[24] Massachusetts Order, ¶ 11.

disparity or number of instances measured is small, will generally not result in findings of checklist noncompliance."[27] Therefore, in instances where VZ-RI's performance is questionable, the RIPUC has examined the performance in the context of "the totality of the circumstances and information before us" to determine whether VZ-RI has complied with the statutory requirements of that checklist item and whether we recommend that the FCC also find VZ-RI to be in compliance.[28]

A. CHECKLIST ITEM 1 – INTERCONNECTION

1. Applicable Law

Section 271(c)(2)(B)(i) of the Act requires VZ-RI to provide "interconnection in accordance with the requirements of sections 251(c)(2) and 252(d)(1)."[29] between its network and the network of any requesting telecommunications carrier--

> (A) for the transmission and routing of telephone exchange service and exchange access; (B) at any technically feasible point within the carrier's network; that is at least equal in quality to that provided by the local exchange carrier to itself or to any subsidiary, affiliate, or any other party to which the carrier provides interconnection; and (D) on rates, terms, and conditions that are just, reasonable, and nondiscriminatory, in accordance with the terms and conditions of the agreement and the requirements of this section and section 252.[30]

Though collocation is not explicitly included in the Act's Section 271 checklist, Section 251(c)(6) states that an ILEC such as VZ-RI has the "duty to provide, on rates, terms, and conditions that are just, reasonable, and nondiscriminatory, for physical collocation of equipment necessary for interconnection or access to unbundled network elements at the premises of the local exchange carrier." Section 251(c)(6) requires ILECs to provide physical collocation unless it can be shown that this type of collocation is not

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[25] Id. at ¶ 13 (citations omitted).
[26] Id.
[27] Id. at ¶ 122.
[28] Id.

practical for technical reasons or because of space limitations. In that event, ILECs must provide for virtual collocation of interconnection equipment.[31]

With respect to the quality of interconnection, the FCC has concluded that the level of quality must be at least equal to that which the ILEC provides itself, a subsidiary, an affiliate, or any other party.[32] To comply with the equal-in-quality requirement in section 251, the FCC's rules require an ILEC to design and operate its interconnection facilities to meet "the same technical criteria and service standards" that are used for designing interoffice trunks within its own network.[33] In its Local Competition First Report and Order, the FCC identified trunk group blockage and transmission standards as indicators of an ILEC's technical criteria and service standards.[34]

In its Local Competition First Report and Order, the FCC found the requirement to provide interconnection on terms and conditions that are "just, reasonable, and nondiscriminatory" to mean that an ILEC must provide interconnection to a CLEC in a fashion that is no less efficient than the manner in which the ILEC provides the equivalent function to its own retail operations.[35] The FCC's rules define this obligation to include the ILEC's installation time for interconnection service and its provisioning of two-way trunking arrangements.[36] In addition, the FCC has determined that a measure of repair time for troubles affecting interconnection trunks is useful for determining whether

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[29] 47 U.S.C. § 271(c)(2)(B)(i)
[30] 47 U.S.C. § 251(c)(2).
[31] 47 U.S.C. § 271(c)(6).
[32] New York Order, ¶ 64.
[33] New York Order, ¶¶ 64-5. See 47 C.F.R.51.305 (a)(3).
[34] New York Order, ¶ 64, citing Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, CC Docket No. 96-98, First Report and Order, 11 FCC Rcd 15499, ¶ 209 (1996) (**"Local Competition First Report and Order"**).
[35] New York Order, ¶ 65.
[36] Id.

a BOC provides interconnection service under "terms and conditions that are no less favorable than the terms and conditions" the BOC provides to its own retail operations.[37]

2. VZ-RI's Position

A. Interconnection Generally

VZ-RI asserted that it makes interconnection available at six (6) points: (1) the line-side of the local switch; (2) the trunk-side of a local switch; (3) the trunk interconnection points for a tandem switch; (4) central office cross connect points; (5) out-of-band signaling transfer points necessary to exchange traffic at these points and to access call-related databases; and (6) the points of access to unbundled network elements.[38]

VZ-RI stated that interconnection at technically feasible points other than those identified above in the VZ-RI network, as well as those specified in individual interconnection agreements, is available upon request through a Bona Fide Request ("BFR") process. The BFR process provides a CLEC the opportunity to request that VZ-RI deploy for the CLEC a capability or facility not normally available in VZ-RI's network. The process also allows VZ-RI to determine whether the request is technically feasible, and if so, the price, terms, and conditions under which it can be offered. A BFR is provided for in interconnection agreements. VZ-RI has not received any BFRs associated with interconnection arrangements.[39]

VZ-RI indicated that CLECs may interconnect with its network for the transport and termination of traffic in a variety of ways. VZ-RI provides interconnection to CLECs through collocation arrangements, through the use of dedicated transport facilities

[37] Id.
[38] Verizon RI 271 Filing – Checklist Declaration, ¶ 28.

from the carrier's premises, and through other technically feasible forms of interconnection. VZ-RI also maintained that it is in compliance with Section 251(c)(6) of the Act, by supporting the provision of both physical and virtual collocation.[40]

VZ-RI provides interconnection to out-of-band Signaling Transfer Points ("STPs") of the Signaling System 7 ("SS7") such that stand-alone access to the VZ-RI's STPs is available with or without VZ-RI-provided signaling link transport. In addition, VZ-RI exchanges Custom Local Area Signaling Services ("CLASS") related Transactional Capabilities Application Part ("TCAP") messages with CLECs to facilitate the interoperability of out-of-band signaling features and services between the carriers' end users. This allows a CLEC to offer call feature options including call set-up and CLASS services, as well as access to databases. CLECs may interconnect their switches to VZ-RI's STPs via Access Link ("A-Link") connections or they can interconnect their STP's to VZ-RI's STPs via Diagonal Link ("D-Link") connections, depending on the option that best meets their network needs.[41]

B. Interconnection Trunking

VZ-RI indicated that it has also made available two-way measured-use trunking for CLECs that want this option in Rhode Island. These trunks are available pursuant to interconnection agreements. To date, VZ-RI has 456 two-way measured trunks in service with the CLECs.[42]

In addition to providing traditional 56 Kbps interconnection trunks, VZ-RI also noted that it provides CLECs with 64 Kbps Clear Channel interconnection trunks. These

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[39] Id. at ¶ 29.
[40] Id. at ¶ 30.
[41] Id. at ¶ 31. Non-discriminatory access to databases is further discussed in Checklist Items 7 and 10.
[42] Verizon RI 271 Filing – Checklist Declaration, ¶ 33.

64 Kbps Clear Channel trunks use a signaling format that makes available an additional 8 Kbps of bandwidth for Integrated Services Digital Network ("ISDN") transmission instead of using that bandwidth for communications between the switches at either end of the trunk. CLECs may use 64 Kbps Clear Channel trunk groups to connect to VZ-RI's tandem switch, as well as to connect directly to VZ-RI's end office switches.[43]

VZ-RI stated that it provides interconnection trunking through interconnection agreements. VZ-RI maintained that its service offerings and operations processes are similar to those provided by Verizon New York ("VZ-NY") and Verizon Massachusetts ("VZ-MA"), which the FCC found met Verizon's responsibilities under the Act.[44]

i. General Availability

VZ-RI asserted that the commercial volume of interconnection trunking it is providing for CLECs demonstrates that VZ-RI is meeting its interconnection obligations. At the end of July 2001, VZ-RI reported having approximately 46,710 local interconnection trunks in place with 15 CLECs. VZ-RI maintained that it has also been able to accommodate significant CLEC growth. VZ-RI pointed out that during 2000, it nearly doubled the number of interconnection trunks in service between its network and the networks of CLECs by adding approximately 20,700 interconnection trunks. About 60% of the interconnection trunks in service with CLECs were direct end-office trunks, connecting all of VZ-RI's 20 host and stand-alone end offices directly to CLEC networks, and the other 40% were trunks between the VZ-RI tandem and CLECs.[45]

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[43] Verizon RI 271 Filing – Checklist Declaration, ¶ 34; In addition, VZ-RI stated that it provides interconnection to points of access to network elements. These arrangements are discussed below beginning in Subsection D. (collocation), and in Checklist Item 2.
[44] Verizon RI 271 Filing – Checklist Declaration, ¶ 36.
[45] Id. at ¶ 38; Verizon's Post-Hearing Brief, p. 13.

VZ-RI asserted that another measure of interconnection growth, as well as the extent of local competition generally, can be found in the number of minutes of use VZ-RI exchanges with CLECs. In 2000, the volume of interconnection traffic exchanged between VZ-RI and CLECs nearly doubled, with VZ-RI's local interconnection trunks carrying an average of 239 million minutes of traffic each month. By mid-2001, the average number of minutes exchanged had risen further to roughly 270 million minutes per month.[46]

VZ-RI maintained that it uses standard intervals when provisioning interconnection trunks for CLECs identical to those used by VZ-NY and VZ-MA. These intervals are comparable to those established for Access Service Requests ("ASRs") that VZ-RI uses in provisioning network trunking arrangements for interexchange carriers.[47]

ii. Trunk Ordering

VZ-RI asserted that the record shows that it is providing Firm Order Confirmations ("FOCs") for trunk orders in a timely fashion. From October 2000 through August 2001, VZ-RI reported providing FOCs for Category 1 trunk orders in an average of 4.0 days, compared to the Category 1 FOC delivery standard of 10 business days. For Category 2 through Category 6 type trunk orders, VZ-RI indicated that it

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[46] Verizon's Post-Hearing Brief, p. 13.

[47] Verizon RI 271 Filing – Checklist Declaration, ¶ 40. Under the supervision of the NYPSC, Verizon and CLECs developed a process to forecast CLEC demand for local interconnection trunking that was an integral part of the interconnection trunk provisioning process that was approved by the FCC for both New York and Massachusetts. VZ-RI uses this same process in Rhode Island. In connection with the forecasting process, VZ-RI offers trunk order intervals using a "six category approach," referred to as the "6 Category Trunk Report." The process also calls for carriers to project trunk requirements six months in advance of the first forecasted trunk service date. This six-month lead-time allows VZ-RI to plan, engineer, and construct trunk network infrastructure in anticipation of aggregated trunk demands. The importance of lead-time and the quality of CLEC forecasting can be readily seen in the fact that new trunk requirements for CLECs now exceed VZ-RI's own new local trunk requirements.

In Rhode Island, as in New York and Massachusetts, each category of trunk orders has its own provisioning interval. These intervals are based on whether the request is associated with a forecast as well as on the size and complexity of the trunk request. Id. at ¶¶ 41-43.

provides the FOC (which formally conveys the committed VZ-RI due date) sufficiently in advance of the date due to enable CLECs to complete the trunk provisioning on-time. For these types of trunk orders, the necessary provisioning information has generally already been communicated between the CLEC and VZ-RI to synchronize broader joint VZ-RI and CLEC work efforts.[48]

iii. Trunk Provisioning

VZ-RI maintained that it is consistently meeting or exceeding its committed provisioning intervals for interconnection trunks in each of the six categories. These intervals compare favorably to the intervals that VZ-RI offers Interexchange Carriers ("IXCs") for Feature Group D Switched Access trunks, both for smaller orders (forecasted additions of 192 trunks or less), as well as for larger (>192 trunks) and more complex orders, as well as for orders that are not forecasted. In addition, the VZ-RI's C2C Performance Reports show that VZ-RI has consistently met the due dates for CLEC interconnection trunks during the January to August 2001 period.[49]

iv. Maintenance and Repair

VZ-RI asserted that the interconnection it provides to CLECs is technically identical to the interconnection VZ-RI provides between the switches in its own local network. VZ-RI stated that it uses the same equipment, and in some cases shares exactly the same facilities, for CLEC and VZ-RI local traffic. VZ-RI asserted that it also maintains and repairs interconnection trunks in a nondiscriminatory manner by using the same equipment and personnel for CLEC and VZ-RI trunks.

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[48] Verizon's Post-Hearing Brief, p. 15; Verizon RI 271 Filing – Checklist Declaration, ¶¶43-44.
[49] Verizon's Post-Hearing Brief, p. 15; Verizon RI 271 Filing – Checklist Declaration, ¶¶ 45-46.

VZ-RI referred to its C2C Performance Reports as evidence that it is providing interconnection trunks in a nondiscriminatory manner. From January through August 2001, VZ-RI noted, the trouble report rate for interconnection trunks was virtually nonexistent. Other performance measures for interconnection trunking during this same period, such as Mean-Time-To-Repair, and % Cleared (all troubles) within 24 hours, show nondiscriminatory maintenance and repair performance.[50]

v. Trunk Call Capacity

VZ-RI asserted that it designs interconnection trunks to CLECs using the same technical criteria it uses to design its own facilities, using the same engineering practices as Verizon uses in New York and Massachusetts. VZ-RI indicated that, using the same blocking criteria as used in its own network deployment, VZ-RI installs direct-end-office interconnection trunks to CLECs where justified by traffic volumes and routes traffic on an overflow basis through the tandem in the event that the direct-end office trunks are all busy. According to VZ-RI, these measures help to minimize the blocking occurring on calls made to CLEC customers.[51]

Indeed, according to VZ-RI, the design criteria for both CLEC and retail trunking allow for only a "tiny amount of blocking."[52] Furthermore, VZ-RI asserted that it has shown that it is currently providing CLECs as a whole with a higher grade of service for calls from VZ-RI subscribers to CLEC end users than it does for calls from VZ-RI

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[50] Verizon's Post-Hearing Brief, p. 16; Verizon RI 271 Filing – Checklist Declaration, ¶ 48.
[51] Verizon's Post-Hearing Brief, p. 16; Verizon RI 271 Filing – Checklist Declaration, ¶ 49.
[52] Verizon's Post-Hearing Brief, p. 17; Tr. 10/11/01. Dedicated final trunk groups from VZ-RI to CLECs (like VZ-RI's own final tandem trunks) are generally designed to a B.005 engineering standard. This means that trunk groups are sized (designed) based on 1/2 percent blocking (one call blocked out of 200 calls) during the busiest hour of the day (using the same busy hour) over a four-week measurement period. This is a stringent design standard intended to alert network engineers when even a small incidence of blocking is observed. Accordingly, end-user customers do not normally observe degraded service when a trunk group is operating over the B.005 engineering design. Significantly more severe blocking levels must

subscribers to its own end users. Traffic studies conducted from January through August 2001 show that the degree of trunk utilization for CLECs was substantially lower than it was for "retail services." These studies, which include all dedicated final trunk groups from VZ-RI to CLECs, show that the utilization ratios of "trunks required" to "trunks in service" over this period was 25.8% for CLECs, while the retail percent for VZ-RI was 50%.[53] Put another way, substantially more CLEC interconnection trunks have been installed and are operational than are needed to operate at the same engineering design level of blocking as VZ-RI's own common final trunk groups.[54]

VZ-RI asserted that the significantly and consistently lower levels of trunk utilization for CLEC-dedicated final trunk groups also show that VZ-RI is providing a better grade of service for CLEC-dedicated final trunk groups in aggregate than what is needed to operate at the designed level (B.005) of blocking. VZ-RI noted that in reviewing VZ-MA's and VZ-NY's call capacity performance, the FCC examined the percent of Verizon's common final trunk groups exceeding their engineering design and the percent of total CLEC dedicated final trunk groups (carrying traffic from Verizon to the CLECs) exceeding the same engineering design.[55] VZ-RI maintained that similar C2C Performance Data for Rhode Island show that there has been a zero level of final trunk blocking for CLECs due to VZ-RI causes.[56]

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occur before customers are able to observe degradation in service. Verizon RI 271 Filing – Checklist Declaration, ¶ 50.

[53] For a specific trunk group, "trunks required" is the calculation of the number of trunks needed to provide service at the standard engineering design level (B.005), based on the actual traffic loads carried by the trunk group during the study period. "Trunks in service" is the number of trunks in operation during that period. Verizon RI 271 Filing - Checklist Declaration, ¶ 54.

[54] Verizon's Post-Hearing Brief, pp. 17-18; Verizon RI 271 Filing – Checklist Declaration, ¶¶50-55.

[55] Verizon's Post-Hearing Brief, p. 18; See New York Order, ¶69; See Massachusetts Order, ¶ 185.

[56] Verizon's Post-Hearing Brief, p. 18.

C. Collocation

i. Offering

In its Massachusetts Order, the FCC determined that "Verizon demonstrates that its collocation offerings in Massachusetts satisfy the requirements of sections 251 and 271 of the Act." Similarly, in its New York Order, the FCC determined that VZ-NY was "providing collocation in New York in accordance with the Commission's rules" and that VZ-NY's "collocation offering in New York satisfie[d] the requirements of sections 271 and 251 of the Act." VZ-RI asserted that because it offers the same collocation options as offered in Massachusetts and New York, it complies with the Act.[57]

According to VZ-RI, the multiple collocation options and alternatives offered by VZ-RI are essentially the same options offered by VZ-MA and VZ-NY. VZ-RI maintained that the steps taken by VZ-RI to provide CLECs with quality collocation arrangements are essentially the same steps taken by VZ-NY and VZ-MA. Furthermore, VZ-RI stated that the standard operating procedures used by VZ-RI to provide collocation are essentially the same operating procedures used by VZ-MA and VZ-NY.[58]

According to VZ-RI, the responsibilities of its employees who provide collocation to CLECs in Rhode Island are essentially the same responsibilities of Verizon employees who provide collocation to CLECs in Massachusetts and New York. In fact, VZ-RI indicated that some of the same organizations responsible for centralized functions, such as application processing, cover the entire Verizon East region (i.e., former Bell Atlantic region), including Rhode Island, Massachusetts, and New York. In addition, according to

[57] Verizon's Post Hearing Brief, pp. 18-19; citing Massachusetts Order, ¶194 New York Order, ¶¶ 67, 73.
[58] Verizon's Post-Hearing Brief, p. 19.